

2026 -- H 7657

=====
LC004506
=====

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2026

—————
A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- TOURISM AND
DEVELOPMENT

Introduced By: Representatives Carson, Cortvriend, and Spears

Date Introduced: February 11, 2026

Referred To: House Municipal Government & Housing

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 42-63.1-2 and 42-63.1-14 of the General Laws in Chapter 42-63.1
2 entitled "Tourism and Development" are hereby amended to read as follows:

3 **42-63.1-2. Definitions.**

4 For the purposes of this chapter:

5 (1) "Consideration" means the monetary charge for the use of space devoted to transient
6 lodging accommodations.

7 (2) "Corporation" means the Rhode Island commerce corporation.

8 (3) "District" means the regional tourism districts set forth in § 42-63.1-5.

9 (4) "Hosting platform" means any electronic or operating system in which a person or
10 entity provides a means through which an owner may offer a residential unit for "tourist or
11 transient" use. This service is usually, though not necessarily, provided through an online or web-
12 based system which generally allows an owner to advertise the residential unit through a hosted
13 website and provides a means for a person or entity to arrange, or otherwise facilitate reservations
14 for, tourist or transient use in exchange for payment, whether the person or entity pays rent directly
15 to the owner or to the hosting platform. All hosting platforms are required to collect and remit the
16 tax owed under this section.

17 (5) "Hotel" means any facility offering a minimum of one (1) room for which the public
18 may, for a consideration, obtain transient lodging accommodations. The term "hotel" shall include

1 hotels, motels, tourist homes, tourist camps, lodging houses, and inns. The term “hotel” shall also
2 include houses, condominiums, or other residential dwelling units, regardless of the number of
3 rooms, which are used and/or advertised for rent for occupancy. The term “hotel” shall not include
4 schools, hospitals, sanitariums, nursing homes, and chronic care centers.

5 (6) “Occupancy” means a person, firm, or corporation’s use of space for transient lodging
6 accommodations not to exceed thirty (30) days. Excluded from “occupancy” is the use of space for
7 which the occupant has a written lease for the space, which lease covers a rental period of twelve
8 (12) months or more. Furthermore, any house, condominium, or other residential dwelling rented,
9 for which the occupant has a documented arrangement for the space covering a rental period of
10 more than thirty (30) consecutive days or for one calendar month is excluded from the definition
11 of occupancy.

12 (7) “Owner” means any person who owns real property and is the owner of record. Owner
13 shall also include a lessee where the lessee is offering a residential unit for “tourist or transient”
14 use.

15 (8) “Primary residence” means the location of the residential property at which:

16 (i) The owner lives for seven (7) or more months out of the year; and

17 (ii) The owner is registered to vote.

18 ~~(8)~~(9) “Residential unit” means a room or rooms, including a condominium or a room or a
19 dwelling unit that forms part of a single, joint, or shared tenant arrangement, in any building, or
20 portion thereof, which is designed, built, rented, leased, let, or hired out to be occupied for non-
21 commercial use.

22 (10) “Short-term rental” means a person, firm, or corporation’s utilization, for transient
23 lodging accommodations, of a rental not to exceed thirty (30) nights at a time.

24 ~~(9)~~(11) “Tax” means the hotel tax and whole home short-term rental tax imposed by § 44-
25 18-36.1(a) and (d).

26 ~~(10)~~(12) “Tourist or transient” means any use of a residential unit for occupancy for less
27 than a thirty (30) consecutive day term of tenancy, or occupancy for less than thirty (30) consecutive
28 days of a residential unit leased or owned by a business entity, whether on a short-term or long-
29 term basis, including any occupancy by employees or guests of a business entity for less than thirty
30 (30) consecutive days where payment for the residential unit is contracted for or paid by the
31 business entity.

32 ~~(11)~~(13) “Tour operator” means a person that derives a majority of their or its revenue by
33 providing tour operator packages.

34 ~~(12)~~(14) “Tour operator packages” means travel packages that include the services of a

1 tour guide and where the itinerary encompasses five (5) or more consecutive days.

2 **42-63.1-14. Offering residential units through a hosting platform.**

3 (a) For any rental property offered for tourist or transient use on a hosting platform that
4 collects and remits applicable sales and hotel taxes in compliance with §§ 44-18-7.3(b)(4)(i), 44-
5 18-18, and 44-18-36.1, cities, towns, or municipalities shall not prohibit the owner from offering
6 the unit for tourist or transient use through such hosting platform, or prohibit such hosting platform
7 from providing a person or entity the means to rent, pay for, or otherwise reserve a residential unit
8 for tourist or transient use. A hosting platform shall comply with the requirement imposed upon
9 room resellers in §§ 44-18-7.3(b)(4)(i) and 44-18-36.1 in order for the prohibition of this section to
10 apply. The division of taxation shall at the request of a city, town, or municipality confirm whether
11 a hosting platform is registered in compliance with § 44-18-7.3(b)(4)(i).

12 (b) Any short-term rental property listed for rent on the website of any third-party hosting
13 platform that conducts business in Rhode Island shall be registered with the department of business
14 regulation. The registration shall provide the information necessary to identify the property
15 pursuant to subsection (d) of this section. ~~For purposes of this section, the term “short term rental”~~
16 ~~means a person, firm, or corporation’s utilization, for transient lodging accommodations, not to~~
17 ~~exceed thirty (30) nights at a time.~~

18 (c) The department of business regulation shall contact all hosting platforms that list
19 property in Rhode Island on their website for rent and that submit hotel taxes to the division of
20 taxation and/or the city of Newport and shall provide notice of the registration requirement,
21 pursuant to this section, instructing the hosting platforms to notify their listed properties to register
22 with the department of business regulation annually or be subject to fines pursuant to subsection (i)
23 of this section. Provided further, renewals of registrations pursuant to this section shall become due
24 for renewal on the anniversary date of the original registration.

25 (d) The state registration pursuant to this section shall include:

26 (1) The principal place of business of the owner, or if outside the state, the agent for service
27 of process or property manager for the owner;

28 (2) The phone number of the owner of the property and/or property manager;

29 (3) The email address of the property owner and/or property manager;

30 (4) The address of the rental property;

31 (5) The number of rooms for rent at the property;

32 (6) Whether the registrant rents or owns; ~~and~~

33 (7) Intended use (entire space, private room, or shared space); ~~and~~

34 (8) The primary residence, as defined by § 42-63.1-2, of the owner of the property.

1 (e) The assigned registration number shall consist of numeric and alpha characters, the
2 alpha characters shall correspond to the city/town where the property is located and shall be uniform
3 for the remaining properties in said city/town.

4 (f) Registration forms and/or any registration materials required by the department shall be
5 completed prior to a listing by a hosting platform. The registration number shall be valid for the
6 year during which it is assigned, and if a listed property is not duly registered after the expiration
7 of the annual registration period, the hosting platform shall remove the property listing from its
8 website within fourteen (14) days of notification from the department.

9 (g) The department of business regulation shall promulgate rules and regulations to
10 correspond with and enforce this section and § 42-63.1-14.1 and may charge a registration fee to
11 property owners registering with the department pursuant to this section.

12 (h) The department of business regulation shall create an online database to store all
13 registered short-term rental units, and each unit shall have an online identification number in said
14 database to correspond with subsection (e) of this section.

15 (i) Any owner of the property who or that fails to register with the department of business
16 regulation as prescribed herein and lists the property as a short-term rental on a hosting platform
17 website shall be subject to a civil fine as follows:

18 (1) Two hundred fifty dollars (\$250) for the first thirty (30) days of noncompliance;

19 (2) Five hundred dollars (\$500) for between thirty-one (31) and sixty (60) days of
20 noncompliance; and

21 (3) One thousand dollars (\$1,000) for more than sixty (60) days of noncompliance.

22 (j) Notwithstanding any other law or provision to the contrary, no person shall list any
23 residence for short-term rental for tourist or transient use without the property's current, valid
24 registration number, and its expiration date, which hosting platforms shall require to be displayed
25 on the listing advertisement. Any hosting platform that offers short-term rental of residential
26 property for tourist or transient use without requiring the owner to display the current, valid
27 registration number of a property, and its expiration date, shall be subject to a civil fine of two
28 hundred fifty dollars (\$250) per day per violation, with each property listing constituting a separate
29 violation.

30 (k) A hosting platform shall provide to the department of business regulation, on a quarterly
31 basis, an electronic report, in a format determined by the department of business regulation, of the
32 listings maintained, authorized, facilitated, or advertised by the hosting platform within the state
33 for the applicable reporting period. The report shall include a breakdown of the municipality where
34 the listings are located, whether the listing is for a room or a whole unit, the total number of short-

1 term rentals listed on the platform, the registration number of each short-term rental listed on the
2 platform, the URL link of each short-term rental listed on the platform, and shall include the number
3 of nights each unit was reported as occupied during the applicable reporting period.

4 [\(l\) Any short-term rental registered pursuant to subsection \(c\) of this section that is the](#)
5 [owner's primary residence shall be classed as residential real estate in accordance with § 44-5-](#)
6 [11.8\(b\)\(1\).](#)

7 [\(m\) Any short-term rental registered pursuant to subsection \(c\) of this section that is not](#)
8 [the owner's primary residence shall be classed as commercial property in accordance with § 44-5-](#)
9 [11.8\(b\)\(2\).](#)

10 SECTION 2. This act shall take effect upon passage.

=====
LC004506
=====

EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- TOURISM AND
DEVELOPMENT

1 This act would differentiate between owner-occupied and non-owner-occupied short-term
2 rentals for tax purposes. To that end, short-term rental properties that are listed as the owner's
3 primary residence in the short-term rental registry would be considered residential properties for
4 tax purposes. Conversely, short-term rental properties that are not listed as the owner's primary
5 residence in the short-term rental registry would be considered commercial properties for tax
6 purposes.

7 This act would take effect upon passage.

=====
LC004506
=====